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C O N F I D E N T I A L SECTION 01 OF 05 NEW DELHI 002543

SENSITIVE
SIPDIS

DEPARTMENT FOR SCA/INS

E.O. 12958: DECL: 12/20/2019
TAGS: [PGOV](#) [PTER](#) [PREL](#) [PINR](#) [KDEM](#) [IN](#)
SUBJECT: WINTER SESSION OF PARLIAMENT ENDS WITHOUT CIVIL
NUCLEAR LIABILITY LEGISLATION

REF: A. NEW DELHI 2516
[1](#)B. NEW DELHI 2494
[1](#)C. NEW DELHI 2472
[1](#)D. NEW DELHI 2441
[1](#)E. NEW DELHI 2391
[1](#)F. NEW DELHI 2354
[1](#)G. NEW DELHI 2000
[1](#)H. NEW DELHI 1806

Classified By: A/Political Counselor Les Viguerie, reasons 1.5 (b, D)

[1](#)1. (C) Summary: The lack-luster winter session of Parliament came to an end without passage of the Civil Nuclear Liabilities legislation. Despite assurances from the United Progressive Alliance (UPA) government that it intended to push the legislation through, we did not see any signs of Congress Party leaders making the case for the liability legislation within their own party or with the opposition. The Embassy will engage with the UPA's political leadership between now and the start of the budget session in February to underscore the importance of this legislation. As the Parliament drew to a close, the UPA government abandoned most of its proposed 62-piece legislative agenda. The opposition Bharatiya Janata Party (BJP) appeared to have sorted through its leadership succession issues for now but still put in an anemic performance on most issues dear to the average voter. Regional parties and their leaders seem to be quietly resurgent in Delhi. End Summary.

No Civ-Nuke Liability Legislation This Session

[1](#)2. (U) The Lok Sabha (lower house) adjourned on December 18, ending its winter session without taking up civil nuclear liability legislation. The Rajya Sabha (upper house) remained in session but is expected to adjourn on December 22, after it has taken up bills passed by the Lok Sabha during its last few days. The end of the Lok Sabha session means that the civil liability legislation will be deferred until at least the budget session, which traditionally begins in the last week of February and ends in mid May with a one month recess in March-April.

13. (C) Despite assurances from NSA Narayanan and other senior officials that the government would seek to enact the civil nuclear liability legislation this session, we saw no signs of the United Progressive Alliance (UPA) government making the case for the liability legislation within their own party or with opposition. The Embassy will engage with the UPA's political leadership between now and the start of the budget session to underscore how important the civil nuclear liability legislation is to the USG and India. As late as December 16, NSA Narayan had expressed optimism about the ability of the GOI to push the bill through (Ref A). The Lok Sabha Speaker was more guarded, telling the Ambassador on December 16 that the GOI "understands the importance the United States places" on this bill (septel). Hindustan Times political editor Vinod Sharma, just back from the closing session of the Lok Sabha, told Poloff that he had heard no mention of the pending bill in the halls of Parliament.

Legislative Agenda: Thumbs Down

14. (SBU) Besides the pass on the civil nuclear liability legislation, the UPA government did not take any action on other legislation of USG interest in the education and financial sectors. Despite its clear mandate in the May parliamentary elections, the UPA government has shown little stomach for bold initiatives or reforms in both the monsoon and the winter sessions of parliament. There has been little

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follow up on its campaign promises, with key legislation such as the set-aside for women in legislatures, social security for workers in the unorganized/informal economy, quotas for minorities in educational institutions, and stiffer penalties for provoking communal violence all remaining on the shelf. Most of the legislation enacted this session tended to involve issues over which there was existing consensus or dealt with technicalities or minor amendments to existing laws. Embassy will provide a tally of legislation passed by Parliament this session septel.

Indian National Congress: Thumbs Down

15. (SBU) The winter session started with the Congress Party on the defensive (Ref F) as it caved on the demands of sugarcane farmers of Uttar Pradesh. Then came the firestorm over the leak of the Liberian Commission's report on a destruction of a mosque in Ayodhya 17 years ago (Ref B, E). The party suffered further when bureaucrats openly challenging senior ministers in the media, as was the case with the Copenhagen negotiators publicly defying Environment Minister Jairam Ramesh over strategy for the conference. The icing on the winter session cake was the proposed creation of the state of Telegana (Ref C), a move that has left the Congress Party's Andhra Pradesh unit in tatters. The government spent most of this session dodging and weaving, sometimes from opposition attacks and sometimes from its own factions. The biggest indignity came when the Speaker had to adjourn the Lok Sabha one day because of low attendance by Congress party members.

Home Minister Chidambaram: Thumbs Up

16. (SBU) Perhaps the only winner to emerge from the Congress Party ranks was Home Minister P.C. Chidambaram, who increasingly became the face of the government in parliament and in public on issue after issue. He handled the tough questions in Parliament with equanimity and poise, putting to use his legal training to respond to opposition attacks with clarity and brevity. He was the only member of the ruling party to elicit cheers during the Liberhan report debate in Parliament when he distilled the arguments as a clash between

the "two ideas of India" in which "the people of India voted for our idea of India. Only our idea of India will prevail."

The Rest of the Leadership: Thumbs Down

¶7. (SBU) Congress Party President Sonia Gandhi seems to have lost her whip this parliamentary session. Despite Mrs. Gandhi's repeated calls to Members of Parliament to improve their attendance during this session in Parliament, the attendance in the Congress benches remained thin. The perception of an omnipotent "High Command" weakened this session, with Sonia Gandhi's mismanagement of the Telegana statehood issue, a "classic self goal" in the words of one of the party's senior leaders.

¶8. (SBU) Prime Minister Manmohan Singh spent much of this winter session of Parliament out of the country, earning the ire of the opposition who saw this travel during Parliamentary sessions as an affront to the institution. PM Singh had promised 100-day sittings of Parliament each year but, with a short monsoon session, and a truncated winter session marked with absences and constant disruptions, his government missed the target by a long shot. Singh's government appeared to lack the political will to enact or even introduce much of Singh's ambitious 100-day legislative agenda in Parliament.

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¶9. (SBU) Finance Minister Pranab Mukherjee, the grand old man of Congress politics, lost his cool twice this winter session, exploding in front of the television cameras in the Lok Sabha. The usually calm elder statesman yelled at Bharatiya Janata Party General Secretary Ananth Kumar and Communist Party (Marxist) leader Brinda Karat on two separate occasions in the same week, inviting speculation about what has made Pranab so bitter. Parliamentary Affairs Minister Pawan Bansal also proved unimpressive, failing to develop a cogent strategy to get legislation through.

Rahul Gandhi: Thumbs Up? Thumbs Down? MIA?

¶10. (SBU) Rahul Gandhi stayed out of the news this session of Parliament. During the initial days Parliament was in session, Gandhi was credited with negotiating a settlement with sugarcane farmers (Ref F). He was conspicuously absent in Parliament, and made very few statements to the press. For his efforts to reform the Congress party's student and youth divisions, there were hints of defiance from the cadres who feared losing their hard-earned patronage positions to Rahul's brand of transparency and democracy within the organizations.

Telegana Movement: Thumbs Up

¶11. (SBU) After 60 years of sometimes armed agitation and conflict, the move to carve a Telegana state out of Andhra Pradesh succeeded. K. Chandrasekhar Rao, a regional politician, went on a hunger strike and forced the UPA to cave on the 11th day of his fast amid reports of his deteriorating health and mobilization of student protestors on the street. The GOI announcement on December 9 that it would initiate the process of formation of a new Telangana state split the state's Congress Party through the middle as all politicians were forced to choose pro- or anti-Telangana positions (Ref C). The political ramifications are still playing out in Andhra Pradesh but Parliament saw immediate fallout when some Congress Party members joined the opposition in raising slogans against the creation of a new state.

Regional Parties: Thumbs Up

¶12. (SBU) Despite their poor performance in the 2009 elections, regional parties have shown signs of resurgence this parliamentary session, hammering the Congress-led government on inflation, Liberhan and Telangana. Chief Minister of Uttar Pradesh (U.P.) Mayawati put aside her love for building self glorifying monuments this winter session long enough to jump on the state-carving bandwagon. Sensing Congress Party paralysis over the Telangana issue, Mayawati stoked the fire by asking the UPA to split her state into four smaller parts. Besides enjoying the Congress Party discomfort, Mayawati has calculated that quartering U.P. would adversely impact Congress party's recent electoral gains in the state thereby ensuring that smaller regional parties like her's would be relevant in coalition politics in Delhi. Mayawati also managed to maintain peace and quiet in Ayodhya on December 6, the anniversary of the Babri Masjid destruction. Regional party Telangana Rashtriya Samiti (TRS) was a big winner with new state to show for its efforts.

BJP: Thumbs Down

¶13. (SBU) The BJP's credible performance in Parliament and the shake up in its leadership failed to stop the continuing decline in the BJP's fortunes. The vitriolic public and

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private blame games and bloodletting that started after the May 2009 election loss have subsided but it is not clear that the party made any effort to understand the reasons for its rejection at the polls, let alone implement a credible strategy to address its failings. It continues to struggle with the old question of how much Hindutva is right for it, not realizing that the country has moved on and young Indians do not care for the culture and identity themes of the 1990s.

BJP Leadership: Thumbs Up

¶14. (SBU) Bharatiya Janata Party (BJP) elder statesman L. K. Advani quit his Leader of the Opposition (Lok Sabha) position on December 18 and gracefully exited the rough and tumble of 24/7 politics. He stepped aside but will remain relevant because he has ensured his four closest aides -- Arun Jaitley, Sushma Swaraj, Venkaiah Naidu and Ananth Kumar -- will have positions of power and influence within the party. Despite a turbulent term fraught with electoral disappointments, outgoing Bharatiya Janata Party President Rajnath Singh scored a victory this winter session. He energized his party's Hindu nationalist base during the Liberhan debate, emphasizing that the destroyed Babri Masjid site was, is, and will remain, a Hindu temple. (Ref B)

¶15. (SBU) Newly anointed Lok Sabha Leader of the Opposition Sushma Swaraj had a successful winter session. Not only did she ensure her ascension to the top rungs of the BJP -- a first for a woman in the strongly male dominated party -- Swaraj also put on fiery and passionate displays during Parliamentary debate, earning some admirers. Leader of the Rajya Sabha Arun Jaitley put his legal wits to good use during the Liberhan debate (Ref A). He was was unrelenting and sharp in his criticism of the errors in the report, and employed wit and humor to point out the waste and inefficiency integral to the government's 17-year production of a stale report. BJP leader from Andhra Pradesh Venkaiah Naidu scored points for his party during the Liberhan debate. He also stands to benefit from the Congress party's bungling of the Telengana issue.

Aam Aadmi (Common man): Thumbs Down

¶16. (SBU) The interests of the common man received short shrift in this session of Parliament. Steep price hikes

plagued the food markets, but neither major national party -- the Congress or BJP -- seemed to focus earnestly on this issue. The BJP tried to organize protests in Delhi against the price hikes, but these were very thinly attended and did not inspire confidence. Parliament seemed to disintegrate into melee after melee every other day, with the Lok Sabha adjourning several times during this already truncated Parliamentary session. The Congress Party seemed to need a reminder that it won the 2009 general elections, had a mandate to govern, and would not face the electorate again for four more years. The BJP played spoiler on issues such as the Liberhan report, but failed to fire the imagination of the electorate. In the end, regional parties and the communists filled the void left by the national parties.

Comment: Preparing for Civil Nuke Liability Debate

117. (C) On the civil liability legislation, while there have been only scattered voices opposed to this legislation to date, we should recognize that there has been little public debate over the legislation yet. The issue has the potential to generate heated and passionate public debate, which will make the GOI even more gun-shy. We will need to consider

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carefully how we can work to change the environment in which the legislation is being considered so we can be armed to refute some of the more outrageous charges we're likely to hear.
ROEMER